



USDA BROILER MARKET NEWS REPORT

ISSN 1522-0567

TUESDAY, JANUARY 16, 2007
VOL. 54 NO. 06

U.S. Department of Agriculture Agricultural Marketing Service Poultry Programs Poultry Market News and Analysis Branch

NATIONAL BROILER MARKET AT-A-GLANCE



Majority prices were generally unchanged in all areas when compared to previous week. Trade sentiment was mixed, but overall at least steady to firm. Retail and food service demand was slow to moderate, best for retail features and fast food promotions. Supplies of all sizes were in good balance to well cleared for trade needs. Processing schedules were mixed with many plants down yesterday for the King holiday. In the parts structure, movement was at least moderate to good. Wings were short and continued to move strong, and the remaining items were no more than adequate to tight and clearing well. In production areas, live supplies were moderate at irregular, but mostly desirable weights.

Final report of prices negotiated for trucklot sales of ready-to-cook ice-packed broiler/fryers (includes branded product) to be delivered to first receivers at major market centers week of 15-JAN-2007 (cents per lb)

| Areas | US grade A | | | Composite | |
|-----------------------------------|----------------|----------|-----|-----------|-----|
| | Majority | Wtd Avg | Lds | Wtd Avg | Lds |
| Boston/New England | TFEWR | | | 63.71 | 27 |
| Chicago | 65.00-68.00 | 68.03 | 36 | 69.33 | 65 |
| Ohio Cities | TFEWR | | | 69.19 | 19 |
| Denver | 77.50 | 77.19 | 13 | 78.04 | 14 |
| Detroit | 68.00-69.00 | 69.78 | 9 | 70.50 | 49 |
| Los Angeles | 78.00 | 77.30 | 67 | 74.96 | 143 |
| New York | 68.00-71.00 | 69.75 | 24 | 68.80 | 51 |
| Philadelphia | 67.50-69.00 | 68.55 | 11 | 68.35 | 24 |
| Pittsburgh | 67.00-70.00 | 69.33 | 12 | 71.10 | 57 |
| St. Louis | 68.00 | 67.40 | 20 | 68.06 | 38 |
| San Francisco | 78.50 | 78.84 | 31 | 72.53 | 99 |
| Composite Weighted Average | | | | | |
| Loads 01/15/07 | Change Last Wk | 01/08/07 | | 01/16/06 | |
| 586 70.59 | .28 | 70.31 | | 63.21 | |

WOG broilers - (without giblets) - prices paid per lb delvd to first receivers in trucklot and ltl quantities:

| Marketing Regions | Majority | Wtd Avg | Lds |
|------------------------------------|-------------|---------|-----|
| Eastern | 71.00-73.00 | 72.23 | 32 |
| Central | 68.00-74.00 | 71.05 | 68 |
| Western | 72.00-75.00 | 73.07 | 37 |
| Southeast Area FOB Dock Equivalent | | | |
| Mississippi | 70.00-72.00 | 70.64 | 90 |

GEORGIA F.O.B. DOCK PRICES Georgia f.o.b. dock quoted price on broilers/fryers for this week's trading is 71.00 cents based on ice-packed USDA grade "A" sized 2 1/2 to 3 pound birds.

| LOADS | RANGE | MONDAY FINAL WTD AVG FOB DOCK OR EQUIVALENT |
|-------|-------------|--|
| 1,093 | 63.00-72.50 | 70.24 |

Georgia f.o.b. dock confirmed FINAL weighted average price on ice-packed parts:

| ITEM | WTD AVG (CENTS PER POUND) | VOLUME (000 POUNDS) |
|------------------|------------------------------|------------------------|
| LINE RUN TENDERS | 170.00 | 1,278 |
| BREASTS - B/S | 143.50 | 5,484 |
| BREASTS - WHOLE | 88.50 | 1,340 |
| THIGH MEAT - B/S | 97.00 | 1,064 |
| LEG QUARTERS | 34.50 | 8,777 |
| WINGS | 124.00 | 2,602 |

This information is supplied by the Georgia Department of Agriculture's Poultry Market News Service.

NORTHEAST Trucklot buying activity on ready-to-cook whole broiler/fryers was at least moderate for early week business. Offerings of all sizes were adequate to well cleared. Movement through retail and distributive channels was fair to moderate. The market tone was at least steady to fully steady. In the parts complex, breast items, tenders and most dark meat cuts were in close balance to tight. Wings were short of current needs.

SOUTHERN Trade sentiment was at least steady. Demand following the weekend was light to moderate, best for feature activity and fast food promotions. Supplies of all sizes were usually sufficient to well cleared for trade needs. Processing schedules were mixed with many plants down yesterday for the King holiday. In the parts structure, interest was moderate to good. Wings were barely adequate to short of a continuously active call. The remaining items were no more than adequate to short and held with confidence. In production areas, live supplies were moderate at mostly desirable weights.

WESTERN Final majority prices were unchanged throughout the area. Trading reported for this week's deliveries at unchanged to somewhat higher prices on regular commitments of whole body product, however WOGs were at mixed levels with sharp discounts reported. Offerings were adequate overall. Retailer demand was fair to good best to cover ad activities planned later in the week. Dealers reported satisfactory weekend clearances. Trading reported on parts at 35-42 for leg quarters, 127-129 for wings, 75-101 on breasts with ribs attached and 117-131 for boneless breasts. The Los Angeles negotiated WOG weighted average was down 3.35 to 72.90 with the volume reported at 29 loads up 21 percent.

MIDWEST Final majority prices increased into Detroit, unchanged into Chicago and lower into St. Louis; Ohio cities TFEWR. Whole broiler/fryer market tone was steady to fully steady. Offers were adequate on light trade inquiry. Retail and food service demand was slow to moderate; fast food and retail features moving best. Floor stocks adequate to long; weights mixed. Parts offerings limited with supplies of wings, small tenderloins and dark meat items tight and breast cuts in close balance. The market tone was fully steady to firm on parts.

DELMARVA Movement of ready-to-cook whole birds was moderate to good entering the week. Seller offerings were in close balance to well cleared. Live supplies were moderate; weights were mostly desirable. Processing schedules ranged light to moderately heavy when combined with some plants opened on the weekend and many closed yesterday for the King holiday. Less than trucklot asking prices were unchanged at 69 to 79 cents. Trade sentiment was at least steady to instances firm. In the parts complex, wings were short. The balance of items were in close balance to tight.

*BROILER/FRYER CURRENT NEGOTIATED PRICES FOR IMMEDIATE DELIVERY INCLUDES MOSTLY MULTIPLE-DROP SHIPMENTS OF BRANDED AND WING TAGGED TO NEW YORK CITY FROM DELMARVA

| BRANDED U.S. GRADE A | |
|----------------------|-------|
| RANGE | 55-83 |
| WEIGHTED AVERAGE | (A) |
| NO. OF BOXES | (A) |

NORTHEAST BROILER/FRYER PARTS Trucklot buying activity on ready-to-cook whole broiler/fryers was at least moderate for early week business. Offerings of all sizes were adequate to well cleared. Movement through retail and distributive channels was fair to moderate. The market tone was at least steady to fully steady. In the parts complex, breast items, tenders and most dark meat cuts were in close balance to tight. Wings were short of current needs.

ICE PACKED BROILER/FRYER PARTS, DELIVERED TO FIRST RECEIVERS IN POOL TRUCKLOT AND TRUCKLOT QUANTITIES, CENTS PER POUND

| ITEM | CURRENT NEGOTIATED TRADING | WTD AVG | VOLUME /LBS |
|----------------------------|-------------------------------|------------|----------------|
| BREAST - B/S | 135-140 | 121.83 | 330,685 |
| TENDERLOINS | 135 | 130.27 | 141,457 |
| BREAST - WITH RIBS | 77-78 | 83.33 | 21,900 |
| BREAST - LINE RUN | 77 | 81.25 | 72,000 |
| LEGS | 48-49 | 47.37 | 126,560 |
| LEG QUARTERS (BULK) | 33-34 | 33.50 | 228,200 |
| DRUMSTICKS | 39-40 | 45.38 | 21,200 |
| THIGHS | 40-41 | 48.19 | 19,800 |
| B/S THIGHS | 100-101 | 100.97 | 51,320 |
| WINGS (WHOLE) | 122-123 | 119.85 | 134,280 |
| BACKS AND NECKS (STRIPPED) | 10-12 | 12.01 | 27,120 |
| LIVERS (5 POUND TUBS) | 35-40 | 38.43 | 6,960 |
| GIZZARDS (HEARTS) | 50-55 | 54.26 | 10,800 |

INCLUDES NEW YORK CITY METROPOLITAN AREA, NORTHERN NEW JERSEY, MASSACHUSETTS, CONNECTICUT, RHODE ISLAND, AND PENNSYLVANIA (NORTHEAST OF HARRISBURG).

* TODAY'S NEGOTIATED SALES AS OF 11:30 A.M.

** WTD AVG PRICE OF ALL GRADES AND BRANDS OF PRODUCT SHIPPED, OR TO BE SHIPPED AS OF 1:30 P.M.

ARKANSAS BROILER/FRYER PARTS F.O.B. DOCK OR EQUIVALENT, ICED-PACKED, PRICES SHOWN ARE DAY OF SHIPMENT (INCLUDES CURRENT AND PRIOR NEGOTIATIONS), TRUCKLOT AND LESS THAN TRUCKLOT VOLUME, CENTS PER POUND.

| ITEM | LBS (000) | RANGE | MAJORITY | WT. AVG |
|---------------------------|-----------|-------------------|----------|------------|
| BREAST - B/S | 1,777 | 113.00-198.00 | 120-128 | 126.40 |
| TENDERLOINS | 206 | 125.00-203.00 | 127-129 | 129.33 |
| BREAST - WITH RIBS | | TOO FEW TO REPORT | - | |
| FRONT HALVES | | TOO FEW TO REPORT | - | |
| LEGS | | TOO FEW TO REPORT | - | |
| LEG QUARTERS (BULK) 564 | | 28.00-31.00 | 28-30 | 29.72 |
| LEG QUARTERS (4/10) 1,730 | | 30.00-36.00 | 33 | 33.01 |
| WINGS (WHOLE) 747 | | 100.00-128.00 | 120-126 | 122.50 |
| DRUMSTICKS | | TOO FEW TO REPORT | - | |
| THIGHS | 1,284 | 40.00-43.00 | 40 | 40.01 |

ESTIMATED SLAUGHTER OF BROILER-FRYERS (IN THOUSANDS)

| | ESTIMATE | ACTUAL | AVG WTS | ACTUAL | AVG WTS |
|----------------|-----------|--------|---------|-----------|---------|
| | 01/15 | 01/11 | 01/11 | 01/08 | 01/04 |
| Alabama | 2,201 | 3,744 | 5.40 | 3,859 | 5.44 |
| Arkansas | 4,675 | 5,231 | 5.15 | 5,102 | 5.24 |
| Delmarva | 1,095 | 2,278 | 5.83 | 2,234 | 5.87 |
| KY-LA-TN | 1,610 | 2,321 | 5.05 | 2,323 | 5.00 |
| Mississippi | 1,373 | 2,954 | 5.64 | 2,865 | 5.64 |
| North Carolina | 1,931 | 2,723 | 6.82 | 2,689 | 6.92 |
| Texas | 1,800 | 2,480 | 5.40 | 2,495 | 5.34 |
| Total | 14,685 | 21,731 | 5.56 | 21,567 | 5.59 |
| Mon | 14,685(A) | | | 21,567(A) | |

(A) Not published to avoid disclosing individual operations

(A) Weekly cumulative for states listed above. Broiler-fryer slaughter under federal inspection for 15-Jan 2007 is estimated to be 21,024,000 down 36.81 percent from a week ago and down 11.5 percent from a year ago. (last week 33,272,000 last year 23,752,000)

SOUTHERN STATES BROILER/FRYER PARTS F.O.B. DOCK OR EQUIVALENT, ICED-PACKED, PRICES SHOWN ARE DAY OF SHIPMENT (INCLUDES CURRENT AND PRIOR NEGOTIATIONS), TRUCKLOT AND LESS THAN TRUCKLOT VOLUME, CENTS PER POUND.

| ITEM | POUNDS (000) | RANGE | MAJORITY | WTD AVG |
|---------------------|-----------------|-------------------|----------|------------|
| BREAST - B/S | 607 | 118.00-195.00 | - | 130.64 |
| TENDERLOINS | 223 | 128.00-197.00 | - | 134.42 |
| BREAST - LINE RUN | | TOO FEW TO REPORT | | |
| FRONT HALVES | | TOO FEW TO REPORT | | |
| LEGS | 211 | 45.00-54.00 | 47-48 | 47.91 |
| LEG QUARTERS (BULK) | 570 | 29.00-35.00 | 33-34 | 33.58 |
| LEG QUARTERS (4/10) | 745 | 32.00-38.00 | 36-36 | 35.66 |
| WINGS (WHOLE) | 305 | 114.00-127.00 | - | 119.28 |
| WINGS (CUT) | 245 | 128.00-144.00 | - | 137.35 |
| DRUMSTICKS | | TOO FEW TO REPORT | | |
| THIGHS | | TOO FEW TO REPORT | | |
| B/S THIGHS | | TOO FEW TO REPORT | | |

WHOLE BODY INDEX BASED ON SOUTHERN STATES PARTS
TRADING FOR JANUARY 16, 2007 — F.O.B. DOCK.

| RANGE | TODAY'S SAVERAGE |
|---------------|------------------|
| 50.00 - 54.00 | 52.57 |

The Index is intended solely as an indicator of values for commodity-type product and does not represent industry's willingness to sell or ability to buy.

MIDWEST REGION BROILER/FRYER PARTS ICE-PACKED POOL TRUCKLOT AND TRUCKLOT QUANTITIES DELIVERED TO: IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD, AND WI WEEK OF 15-JAN-TO 19-DEC-2007

| | Price (Cents) Per Lb. Mostly |
|----------------------------|---------------------------------|
| BREAST - B/S | 114.00 - 133.00 121.00 - 128.00 |
| BREAST - LINE RUN | 71.00 - 96.00 76.00 - 89.00 |
| LEGS | 46.00 - 54.00 - |
| LEG QUARTERS (BULK) | 26.00 - 38.00 33.00 - 34.00 |
| LEG QUARTERS (4/10) | 33.00 - 38.00 35.00 - 36.00 |
| DRUMSTICKS | 33.00 - 50.00 - |
| THIGHS | 37.00 - 49.00 - |
| WINGS (WHOLE) | 117.00 - 140.00 126.00 - 131.00 |
| BACKS AND NECKS (STRIPPED) | 12.00 - 23.00 - |
| LIVERS | 32.00 - 42.00 - |
| GIZZARDS (HEARTS) | 40.00 - 55.00 - |

SOUTHERN CALIFORNIA (L.A. AREA) PROCESSED POULTRY, DELIVERED TO RESTAURANTS AND INSTITUTIONS

| | RANGE |
|----------------------------------|--------------|
| WOGS 2# & UP - WHOLE | 83.25-101.25 |
| WOGS 2# & UP - CUT UP 8&9 PIECES | 87-104 |
| FROZEN HENS 5# & UP | |
| FROZEN DUCKS | |
| FROZEN SQUABS | |

DELIVERED TO RETAILERS IN SOUTHERN CALIFORNIA (L.A. AREA)

| | |
|------------------|--------|
| FRESH FRYERS | 91-100 |
| ROASTERS 4# & UP | 99-108 |
| HENS UNDER 5# | |
| HENS OVER 5# | 65-74 |

DUCKS
RABBITS-WHOLE
RABBITS-CUT UP

SAN FRANCISCO PROCESSED POULTRY

DELIVERED TO RESTAURANTS AND INSTITUTIONS

| | RANGE |
|------------------|------------------|
| FRESH FRYERS | ICE PACK 93-105 |
| | DRY PACK 110-114 |
| ROASTERS 4# & UP | ICE PACK 98 |
| | DRY PACK 111-118 |
| HENS OVER 5# | ICE PACK 86-100 |
| | DRY PACK 100-107 |
| DUCKS | 190-195 |

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

January 12, 2007

CHICKEN WITH SKIN ADDED

| FAT CONTENT | PRICES | | VOLUME | |
|----------------|-------------|-------------|-----------|---------|
| | FROZEN | FRESH | TOTAL | EXPORT |
| 15% OR LESS | | | | |
| RANGE | 17.00 | 17.00 | 240,800 | - |
| WTD AVERAGE | 17.00 | 17.00 | | |
| 15-20% | | | | |
| RANGE | 16.00-19.00 | 11.00-16.00 | 1,218,400 | 408,000 |
| WTD AVERAGE | 18.57 | 12.57 | | |
| 20% OR MORE | | | | |
| RANGE | - | - | - | - |
| WTD AVERAGE | | | | |

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

January 12, 2007

CHICKEN WITH SKIN ADDED

| FAT CONTENT | PRICES | | VOLUME | |
|----------------|-------------|-------------|-----------|-----------|
| | FROZEN | FRESH | TOTAL | EXPORT |
| 15% OR LESS | | | | |
| RANGE | 16.50 | 16.50-17.50 | 628,000 | 268,000 |
| WTD AVERAGE | 16.50 | 17.06 | | |
| 15-20% | | | | |
| RANGE | 15.50-21.00 | 12.00-16.00 | 2,228,000 | 1,268,000 |
| WTD AVERAGE | 17.41 | 14.10 | | |
| 20% OR MORE | | | | |
| RANGE | - | 14.00 | 160,000 | - |
| WTD AVERAGE | | 14.00 | | |

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

SOUTH CENTRAL HEAVY LIVE HEN Trading levels were slightly higher compared to the past week. Demand was moderate for adequate offerings of spent heavy fowl. Schedules were reduced or instances shut down due to winter storms in some areas. Finished sales were fair. Trade sentiment was generally steady.

HEAVY TYPE HENS (7 POUNDS AND UP)* FINAL PRICE, GENERALLY FOR SLAUGHTER THE WEEK OF 15-JAN-07

| | RANGE | MAJORITY | WTD AVG |
|-----------------------|---------------------|----------|------------|
| AT FARM BUYER LOADING | 2.75-8.25 CENTS/LB. | | 5.59 |

*WEIGHTS UNDER 7 LBS. SUBJECT TO DISCOUNT.

SOUTHEAST LIVE HEAVY HEN Prices were unchanged to slightly higher when compared to a week earlier. Offerings were noted as fair to moderate for the at least adequate to fully adequate offerings of spent hens. Processing schedules were noted as mostly normal. Sales of finished product moderate. The undertone was generally steady.

HEAVY TYPE HENS (7 POUNDS AND UP)* FINAL PRICE, GENERALLY FOR SLAUGHTER THE WEEK OF 15-JAN-07

| | RANGE | MAJORITY | WTD AVG |
|-----------------------|---------------|----------|------------|
| AT FARM BUYER LOADING | 4-8 CENTS/LB. | | 5.37 |

AT FARM PRODUCER LOADING TOO FEW TO REPORT
FOB PLANT TOO FEW TO REPORT

* WEIGHTS UNDER 7 LBS. SUBJECT TO DISCOUNT.

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